

## **Section 4: Record Keeping Requirements**

### **I. NATIONAL OBJECTIVE**

Grantee shall ensure that the following records are maintained and kept up-to-date:

- A. A full description of each activity carried out (or being carried out) in whole, or in part, with NSP funds, including the nature and purpose of the activity, its location (if the activity has a geographical location), and the amount of NSP funds budgeted, obligated, and expended for the activity.
- B. Records demonstrating that each activity undertaken meets one of the National Objectives. At a minimum, such records shall include the following information:
  - 1. For each activity determined to benefit LMMA persons based on the area served by the activity:
    - a. The boundaries of the service area; and
    - b. The income characteristics of households and unrelated individuals in the service area.
  - 2. For each activity determined to benefit LMMH persons based on the incomes of the households directly benefiting from the activity where the activity involves the submission of an application or the completion of a personal record:
    - a. The size of each household receiving benefits; and
    - b. The income of each such household.
  - 3. For each activity determined to benefit LMMA persons because the activity involves a facility or service designed for use predominately by LMI persons, documentation demonstrating that the predominant users are LMI persons.
  - 4. For each multi-family rehabilitation activity determined to benefit LMMH
    - a. The local definition of “affordable to LMI household”;
    - b. The rent charged (or to be charged) after rehabilitation, for each dwelling unit in each structure rehabilitation; and
    - c. The total number of dwelling units in each structure rehabilitated and the percent of units in each structure which are occupied by LMMH households.

5. For each activity determined to aid in the prevention or elimination of blight based on addressing one or more of the conditions which qualified an area as a blighted area:
  - a. The area meets a definition of blighted, deteriorated, or deteriorating area under state or local law;
  - b. There are a substantial number of deteriorated or deteriorating buildings throughout the area;
  - c. The boundaries of the area and description of the conditions which qualified the area at the time of its designation; and
  - d. The assisted activity is designed to address one or more of the conditions which contributed to the deterioration of the area.
6. For each residential rehabilitation activity determined to aid in the prevention or elimination of slums or blight in a slum or blighted area:
  - a. The local definition of “substandard”;
  - b. A pre-rehabilitation inspection report describing the deficiencies in each structure to be rehabilitated; and
  - c. Details and scope of NSP assisted rehabilitation, by structure.
7. For each activity determined to aid in the prevention or elimination of slums or blight based on the elimination of specific conditions of blight or physical decay not located in a slum or blighted area.

## **II. CIVIL RIGHTS**

- A. Documentation of the action(s) the grantee has carried out (or is carrying out) to affirmatively further fair housing, including records on funds provided, if any, for such actions.
- B. For direct benefit activities, data on the extent to which persons have participated in, or benefited from, any program or activity funded in whole, or in part, with NSP funds. Records must be kept by race, ethnicity, disability status, and gender of heads of households. For area wide activities, documentation on the area and the services being provided to the area and the race and ethnicity of the service area must be maintained.
- C. For direct benefit activities, records must be maintained on all applicants for the benefit, regardless of whether or not they were selected to benefit.

- D. Data on employment in each of the local government's operating units carrying out an activity funded in whole, or in part, with NSP funds. The data must be maintained in the categories prescribed on the Equal Employment Opportunity Commission's EEO-4 form. Efforts to employ minorities and/or women (disadvantaged business enterprise firms) must be documented.
- E. Data indicating the race and ethnicity of households, and disability status of persons displaced as a result of NSP activities, including the address to which each displaced household relocated.
- F. Documentation of actions undertaken to meet the requirements of Section 3 of the Housing and Urban Development Act of 1968, including Section 3 requirements in construction contracts over \$100,000 in grants over \$200,000.
- G. Data indicating the racial/ethnic character of each business entity that receives a contract or subcontract paid, or to be paid, with NSP funds. Data indicating which of those entities are women's business enterprises as defined in Executive Order 12138 and the amount of the contract or subcontract. Outreach efforts to all Disadvantaged Business Enterprise firms must be documented.
- H. Documentation of the affirmative actions the local government has taken to overcome the effects of prior discrimination as determined through a formal compliance review or court proceeding, where the grantee has previously discriminated against persons on the grounds of race, color, national origin, or sex in administering a program or activity funded in whole, or in part, with CDBG, HOME and/or NSP funds.
- I. Documentation of all civil rights requirements in contracts over \$10,000.
- J. A certification from the grantee's architect must be obtained on a removal of architectural barriers (ADA) project that the activities being carried out with NSP monies are ADA compliant. This must be obtained prior to the activities going out for bid.

### **III. ELIGIBILITY OF ACTIVITIES**

- A. A full description of each activity being carried out in whole, or in part, with NSP funds.
- B. A description of the nature and purpose of the activity.
- C. The location of the activity (if the activity has a location focus).
- D. The amount budgeted for each activity.
- E. The amount obligated and expended for each activity.

- F. Records which demonstrate that the grantee has made the determinations required as a condition for eligibility of certain activities, as prescribed in HUD rules and regulations, 24 CFR Part 570, 570.201, 570.202, 570.203, 570.204, 570.205, and 570.206.

#### **IV. LABOR STANDARDS**

- A. Copy of Request for Wage Determination.
- B. Record of written or telephone follow-up for wage decision modifications.
- C. Applicable wage decisions and all modifications.
- D. Preconstruction conference minutes (if applicable).
- E. Notification of Start of Construction form.
- F. Weekly payrolls, consisting of either a WH-347 or an approved equivalent with a Statement of Compliance.
- G. Record of Employee Interview forms.
- H. Copies of all memoranda and/or correspondence relating to labor standards.
- I. Records of restitution affected which includes notarized acknowledgment of receipt of restitution plus front and back of checks issued for any restitution.
- J. Notice of Completion/Final Wage Compliance Report.
- K. Copy of contractor's license, bid bond, and performance bond, if applicable.
- L. Contracts containing proper and applicable labor standards provisions.

#### **V. UNIFORM RELOCATION ASSISTANCE AND REAL PROPERTY ACQUISITION**

The following information shall be maintained for at least four years after each owner of the property and each person displaced from the property have received the final payment to which they are entitled.

- A. Acquisition – The requirements apply to acquisition activities under the Uniform Act. Documentation must include the following:
1. Identification of property and property owner(s).
  2. Evidence owner was informed on a timely basis about acquisition and his or her rights, including receipt of a copy of the booklet, “When a Public Agency Acquires Your Property.”
  3. Copy of any waivers signed by property owners of their rights to just compensation and/or appraisals.
  4. Copy of each appraisal report, including review appraiser’s report, and evidence that owner was invited to accompany each appraiser on appraiser’s inspection of property.
  5. Copy of written purchase offer and summary statement of the basis for the determination of just compensation and date of delivery to owner.
  6. Copy of purchase contract and document(s) conveying property.
  7. Copy of settlement statement and evidence that owner received net proceeds due from sale.
  8. Evidence of acquired property being filed with the county.
  9. Copy of any appeal or complaint filed and grantee response.
- B. Relocation – The requirements apply to Uniform Act and Non-Uniform Act relocation activities. Documentation must include the following:
1. Identification of person, displacement property, racial/ethnic group classification, age and sex of all members of household, monthly rent and utility costs, type of enterprise, relocation needs, and preferences.
  2. Evidence person received timely statement describing available relocation payments (and basic eligibility conditions), advisory services, and, if applicable, right to comparable replacement housing.
  3. Evidence person received timely written notice informing him or her of eligibility for relocation assistance and related information.
  4. Evidence and dates of personal contacts; a description of services provided.

5. Identification of referrals to replacement properties; date of referral, sale price or rent/utility costs; date of availability; reason(s) for declining referral.
6. Replacement dwelling inspection report; date of inspection.
7. Copy of each approved claim form-related documentation; evidence that person received payment.
8. Copy of any appeal or complaint filed and grantee response.

## **VI. ENVIRONMENT**

- A. For every project, the grantee must maintain an Environmental Review Record (ERR) that includes:
- B. Project Consisting of Categorical Exclusions:
  1. Consultation with Other Agencies:
    - a. Evidence that grantee initiated, consulted, and coordinated with other concerned federal and state agencies.
    - b. Evidence of completion of action required under other applicable laws and authorities.
  2. Status statement signed by chief elected official that project activities meet the requirements for categorical exclusion from National Environmental Protection Agency (NEPA) requirements.
  3. Evidence that Notice of Intent to Request a Release of Funds (NOI/RROF) was published at least seven calendar days before submitting to state, using the HUD format. Record of comments and how they have been taken into account.
  4. Evidence that NOI/RROF, environmental certification, and status statement were submitted to state.
- C. Environmental Assessment (EA) for Projects Not Classified as Exempt or Categorically Excluded:
  1. Consultation with Other Agencies.

- a. Evidence that grantee initiated, consulted, and coordinated with other concerned federal and state agencies.
  - b. Evidence of completion of action required under other applicable laws and authorities.
- 2. Copy of EA, using HUD format.
- 3. If Finding of No Significant Impact (FONSI) determination is made, evidence that a combined notice of FONSI and NOI/RROF were prepared and sent to:
  - a. Appropriate local, state, federal agencies;
  - b. EPA and appropriate regional offices; and
  - c. Interested individuals and groups.
- 4. Evidence that notices were published at least once in local area-wide newspaper.
- 5. Evidence that 15-day local comment period was provided for combined FONSI notice and NOI/RROF. Record of comments received and how they have been taken into account. Records of any determination extending comment period or providing for 30-day FONSI notice instead of the normal 15-day local comment period.
- 6. Evidence that FONSI or NOI/RROF and certifications were submitted to state.
- D. Release of Funds and Certification Approval:
  - 1. Documentation of objections received from agencies or public, if any received during the state comment process, and their disposition.
  - 2. Copy of the state receipt and approval of the release of funds and certification.
  - 3. Documentation of the implementation of environmental review decisions.

## **VII. FINANCIAL MANAGEMENT**

- A. Ledger denoting line items of approved budget and record of receipts and expenditures of all funds in each category.
- B. Copy of Authorized Signature Form.
- C. Copy of Designation of Depository Form.

- D. Copy of Electronic Transfer Form.
- E. Copies of all checks and invoices for NSP funds and all local funds committed to the project.
- F. Copies of all bank statements denoting NSP receipts disbursed.
- G. Copies of all pay requests and supporting invoices.
- H. Copies of all contracts for NSP funds.
- I. Timesheets for any grantee employee paid with NSP funds.
- J. Timesheets for any grantee in-kind matching funds.
- K. All program income receipts and disbursements (if applicable).
- L. A listing of all fixed assets acquired with NSP funds.

## **VIII. PROCUREMENT**

- A. The written procurement policy of the grantee must be placed in the NSP files.
- B. Documentation of all procurement for all contracts issued under the NSP program. All purchases of goods and/or services over \$2,000 must be supported by contracts. For purchases or services under \$2,000, purchase orders, agreements, or signed proposals must be maintained.
- C. For purchases of goods and/or services under \$500, records must be kept of solicitation carried out to obtain same and paid invoices must be provided for completion.
- D. Evidence of efforts to procure DBE's for all goods and/or services.

## **IX. HOUSING**

Housing grantees must refer to Section 14 herein for recordkeeping requirements specific to housing, including lead-based paint requirements.

## **X. LEGAL RECORDS –**

Record keeping is important. Such records often include but are not limited to promissory notes, security agreements, loan agreements, and signed guaranty contracts, UCC financing statements and mortgages, and accompanying letters regarding these documents. Copies of these documents are required to be available to NSP.



We suggest that the grantee's attorney or records custodian take great care to insure the integrity of these documents for however long the project remains incomplete. Over the years, we have seen grantees fail to maintain adequate legal documentation, especially in the filing of original mortgages, or original filings and continuation statements under the UCC Article IX. The laws governing such filings are important and we suggest you continually involve your legal counsel in this process.

If you have questions or need assistance on ideas for maintenance of these records, please contact:

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